

## Message Text

PAGE 01 STATE 111968

73

ORIGIN EB-07

INFO OCT-01 ISO-00 /008 R

66615

DRAFTED BY EB/OT/GCP:EWILLIAMS:MEH

APPROVED BY EB/OT/GCP:DDUNFORD

----- 098336

P 192242Z MAY 75

FM SECSTATE WASHDC

TO AMCONSUL HONG KONG PRIORITY

AMEMBASSY ISLAMABAD PRIORITY

AMEMBASSY LAGOS PRIORITY

LIMITED OFFICIAL USE STATE 111968

FOL REPEAT STATE 111968 SENT ACTION CANBERRA DACCA BRIDGETOWN  
GABORONE OTTAWA NICOSIA SUVA BANJUL ACCRA GEORGETOWN  
NEW DELHI KINGSTON NAIROBI MASERU BLANTYRE KUALA LUMPUR  
VALLETTA PORT LOUIS WELLINGTON MANAGUA FREETOWN  
SINGAPORE COLOMBO MBABANE DAR ES SALAAM PORT OF SPAIN  
LONDON LUSAKA NASSAU PRETORIA DUBLIN PORT MORESBY INFO TOKYO  
GENEVA EC BRUSSELS MAY 14

QTE

LIMITED OFFICIAL USE STATE 111968

E.O. 11652: N/A

TAGS: ETRD

SUBJECT: US GENERALIZED SYSTEM OF PREFERENCES (GSP) AND  
COMMONWEALTH PREFERENCE ISSUE

REFS: (A) STATE 66541; (B) 66492; (C) 55671 (D)VALLETTA  
296 (NOTAL)

1. REF C INDICATED THAT USG HAD MADE DECISION WITH  
LIMITED OFFICIAL USE  
LIMITED OFFICIAL USE

PAGE 02 STATE 111968

RESPECT TO SECTION 502(B)(3) OF TITLE V OF THE TRADE ACT  
OF 1974 THAT AFRICAN, CARIBBEAN, AND PACIFIC COUNTRIES  
(ACP) AND SEVERAL OTHER DEVELOPING COUNTRIES WHICH NOW  
GRANT PREFERENCES TO THE EUROPEAN COMMUNITY WERE TO BE

DESIGNATED AS GSP BENEFICIARIES WHERE THEY WERE NOT FOUND INELIGIBLE UNDER OTHER GSP PROVISIONS OF THE TRADE ACT. RF B REPORTED THE PRESIDENT'S SIGNING OF EXECUTIVE ORDER 11844 DESIGNATING 89 COUNTRIES AND 43 TERRITORIES AS BENEFICIARY COUNTRIES, AND PROVIDED CURRENT DETERMINATIONS REGARDING COUNTRIES GRANTING REVERSE PREFERENCES TO THE EC.

2. PURPOSE OF THIS MESSAGE IS TO REQUEST INFORMATION TO AUGMENT THAT AVAILABLE IN WASHINGTON ON THE EXTENT AND SCOPE OF PREFERENCES ACCORDED THE DEVELOPED MEMBERS OF THE COMMONWEALTH BY DEVELOPING COMMONWEALTH MEMBERS IN ORDER TO

MORE THOROUGHLY REVIEW COUNTRY ELIGIBILITY UNDER SECTION 502(B)(3). AS NOTED PARA 4 REF B, ON BASIS AVAILABLE INFORMATION ON CURRENT AGREEMENTS AND RECENT TRADE FLOWS, CONCLUSION HAD BEEN REACHED THAT SIGNIFICANT ADVERSE EFFECT OF SUCH PREFERENCES ON US COMMERCE WAS UNLIKELY. WHILE IT IS NOT ANTICIPATED THAT ADDITIONAL INFORMATION WILL SUBSTANTIALLY ALTER THAT CONCLUSION IN TERMS OF INITIAL IMPLEMENTATION OF GSP, AS THE EXECUTIVE ORDER NOTED, THE PRESIDENT IS AUTHORIZED TO MODIFY THE LIST OF BENEFICIARIES AT ANY TIME AND QTE FOR THAT PURPOSE THERE SHALL BE A CONTINUING REVIEW OF THE ELIGIBILITY OF COUNTRIES TO BE SO DESIGNATED UNDER THE PROVISIONS OF THE ACT UNQTE. INFORMATION REQUESTED BELOW IS THEREFORE REQUIRED IN ORDER TO FACILITATE SUCH CONTINUING REVIEW.

3. AS PRESENTLY CONSTITUTED, THE COMMONWEALTH OF NATIONS CONSISTS OF 34 SOVEREIGN STATES (INCLUDING NAURU WHICH HAS A QTE SPECIAL MEMBERSHIP UNQTE), TOGETHER WITH THEIR DEPENDENCIES (MOSTLY SMALL ISLANDS WHICH ARE DEPENDENCIES OF THE UNITED KINGDOM, AUSTRALIA, OR NEW ZEALAND), AND THE ASSOCIATED STATES OF THE EASTERN CARIBBEAN. FOR PURPOSES OF THIS REVERSE PREFERENCES STUDY, DEVELOPED COUNTRIES INCLUDE (A) UNITED KINGDOM, CANADA, AUSTRALIA, AND NEW ZEALAND (ALL CURRENT MEMBERS OF THE COMMONWEALTH); AND (B) THE REPUBLIC OF IRELAND AND THE LIMITED OFFICIAL USE LIMITED OFFICIAL USE

PAGE 03 STATE 111968

REPUBLIC OF SOUTH AFRICA, WHICH ARE NO LONGER PART OF THE COMMONWEALTH. COVERAGE OF DEVELOPING COUNTRIES SHOULD INCLUDE FORMER MEMBERS OF COMMONWEALTH IF RESIDUAL PREFERENCES STILL IN FORCE.

4. FOR YOUR BACKGROUND, SECTION 502(A)(3) OF THE TRADE ACT STATES: QTE FOR PURPOSES OF THIS TITLE, THE TERM INNER QTE COUNTRY END INNER QTE MEANS ANY FOREIGN COUNTRY, ANY OVERSEAS DEPENDENT TERRITORY OR POSSESSION OF A FOREIGN COUNTRY...UNQTE. THUS THE REQUIREMENT OF 502(B)(3) INCLUDES PREFERENCES ACCORDED BY A DEPENDENT TERRITORY TO THE COUNTRY RESPONSIBLE FOR ITS EXTERNAL

RELATIONS.

5. FOR POSTS HAVING REPORTING RESPONSIBILITY FOR COMMONWEALTH DEVELOPING MEMBER COUNTRIES (INCLUDING DEPENDENT TERRITORIES): FOLLOWING INFORMATION IS REQUESTED, TO BE TRANSMITTED BY AIRGRAM WITH ENCLOSURES AS APPROPRIATE:

A. DOES THE HOST COUNTRY ACCORD PREFERENTIAL TARIFF TREATMENT, IN WHOLE OR IN PART, TO PRODUCTS OF ANY OF THE DEVELOPED COUNTRIES CITED IN PARA 3 ABOVE. IF SO, PLEASE SPECIFY COUNTRIES.

B. WHERE ANSWER IS AFFIRMATIVE, INDICATE WHETHER ANY TERMINAL DATE FOR SUCH PREFERENCES IS SCHEDULED OR UNDER DISCUSSION.

C. DESCRIBE EXISTING PREFERENCES IN TERMS OF (1) GENERAL PRODUCT CATEGORIES COVERED TOGETHER WITH APPLICABLE MFN AND PREFERENTIAL RATES; (2) WHAT PORTION OF TARIFF SCHEDULE (I.E., PROPORTION OF TOTAL TARIFF POSITIONS) AFFECTED BY PREFERENCES; AND (3) ROUGH INDICATION OF WHAT PROPORTION OF TOTAL IMPORTS ACCOUNTED FOR BY PRODUCTS SUBJECT TO PREFERENCES.

D. FOR 1972, 1973, AND (WHERE AVAILABLE) FOR 1974, PROVIDE FIGURES FOR HOST COUNTRY'S OVERALL IMPORTS, AND COUNTRY BREAKDOWN FOR TOTAL IMPORTS FROM COMMONWEALTH DEVELOPED COUNTRY SUPPLIERS, THE US, AND IF NOT INCLUDED IN FOREGOING, HOST COUNTRY'S LEADING SUPPLIER.  
LIMITED OFFICIAL USE  
LIMITED OFFICIAL USE

PAGE 04 STATE 111968

E. WOULD APPRECIATE POSTS' INFORMAL ASSESSMENT OF EXTENT TO WHICH EXISTING PREFERENTIAL TREATMENT HAS OR IS LIKELY TO HAVE SIGNIFICANT ADVERSE EFFECT ON UNITED STATES COMMERCE.

6. FOR CANBERRA, DUBLIN, LONDON, OTTAWA, PRETORIA, AND WELLINGTON: REQUEST INFORMATION ALONG LINES OF POINTS A,B, AND TO EXTENT POSSIBLE, C(1) AND C(2) OF PARA 5 ABOVE, IN TERMS OF PREFERENCES ACCORDED HOST COUNTRY BY DEVELOPING COMMONWEALTH MEMBERS.

7. FOR LONDON: ALTHOUGH PERHAPS NO LONGER IN EMBASSY'S FILES, LONDON'S A-227 OF FEBRUARY 16, 1971 (COPIES PASSED TO CANBERRA, DUBLIN, OTTAWA, AND WELLINGTON) ENCLOSED PAPER FROM DEPARTMENT OF TRADE AND INDUSTRY TITLED QTE REVERSE PREFERENCES: A NOTE UNQTE OF FEBRUARY 4, 1971 (COPY BEING POUCHED). AN UPDATE OF THIS DOCUMENT, WITH SOMEWHAT MORE DETAIL, WOULD BE MOST USEFUL.

8. FOR NICOSIA: BECAUSE DISCUSSIONS WITH HOST GOVERN-

MENT FOLLOWING DIFFERENT TRACK, RESPONSE TO THIS  
MESSAGE NOT REQUIRED.

9. FOR VALLETTA: REGARDING MALTA, INFORMATION NOTED  
PARA 5 ABOVE BEING REQUESTED SEPTEL. KISSINGER

UNQTE  
INGERSOLL

LIMITED OFFICIAL USE

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE LAW, GENERALIZED PREFERENCES (TARIFFS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE111968  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EB/OT/GCP:EWILLIAMS:MEH  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D750170-0549  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t197505102/baaaajny.tel  
**Line Count:** 173  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 APR 2003 by BoyleJA>; APPROVED <26 SEP 2003 by ElyME>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** ETRD, US  
**To:** HONG KONG  
ISLAMABAD  
LAGOS  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006